

SPECIAL COMMITTEE ON RIVERFRONT ACTIVITIES AND BASEBALL

August 30, 2004

Chairman Lopez called  the meeting to order.

The Clerk called the roll.

Present: Aldermen Lopez, Gatsas, Guinta, DeVries, Smith

Messrs.: F. Thomas, B. Brooks

Chairman Lopez addressed Item 3 of the agenda:

Project updates provided by Frank Thomas, Public Works Director, as follows:

- a) Gill Stadium Project Status Report;
- b) Baseball Stadium Project; and
- c) Stadium Budget Projected.

Mr. Frank Thomas stated we have Bob Brooks here representing the team who can answer some of the more detailed questions regarding the status of any of the projects. In the agenda that was a brief memo that was prepared by Castagna Consulting basically noting where we stand on the Gill Stadium project and the new Riverfront Stadium. Gill Stadium, I am proud to say, is nearing completion of both the construction work and the first hopefully very successful season of the Fisher Cats. Prior to acceptance of the stadium from Harvey Construction we will do a detailed inspection, walk through, that will be conducted with City staff not only of the Highway Department but also the Parks Department. The elevator is complete. It is operational. We are waiting for the State inspections to come down next week to get us our final inspection. There is a little painting of the railwork that is going on but that should all be completed within the next few days. In addition, we have been meeting with Harvey and we will be meeting potentially this week to finalize some of the last minute budget issues on the project. As far as the turf warranty, John Czar, the President of Harvey Construction did note to me that they would be assuming the warranty that would have been given the City by SRI if they didn't go bankrupt. I have asked them to put that in writing. I haven't received it yet but obviously we will not close out the project until we do have that in writing. Just recently I understand that Harvey is also in

communications with SRI. If you remember correctly Harvey is still holding some payments that were originally due SRI so there is some negotiating there. It is possible that when it is all said and done some spin-off of SRI might assume the warranty but if that doesn't happen Harvey will step in and assume the warranty for the turf. As far as the team finishing up and vacating the premises, the lease agreement again does state that we will be doing another walk through of the facility once they are finished and if there are any corrective issues that have to be addressed we would be looking to the team to address those issues. Such as if there is some paint that has been dirtied or if there is a hole here and there. Those are the types of things we would be looking at the team to address. Again, we are reaching the end of the Gill Stadium work. I will briefly just touch on the new stadium because it is noted in Mr. Castagna's memo but again Bob Brooks is here to give you the detailed information, all of the piles are now in. The pile caps are being poured. The grade beams are being installed. Steel is being delivered within the next week. In Mike's memo it did note that steel would be going up around the first of September. That has been pushed off about a week. I understand that some of the truck drivers who were supposed to deliver the steel do not want to work over the long holiday weekend so there is a slight delay there. Again, the good news is that the steel will be going up within the next week or so. Again, Mike and Bob Brooks are here to give you more of a detailed presentation on schedules and a little bit of good news as far as the budget. Before I get off the status report in front of us is a sample of the chair that we will be getting down in the new stadium. The bid hasn't been awarded but it appears that that will be the type of chair...it is the same as the Gill Stadium chair. I understand that the team is negotiating with suppliers of beverages to include a cup holder for the back of all the chairs so we will be having something similar to Gill Stadium with a cup holder. Down below the chair there is a large block. The entire outfield between the stadium and the hotel has to have a retaining wall and also there is a retaining wall between the field and the new public roadway. That will be the block that will be used in the retaining wall so it gives that Millyard color. I was hoping to have some brick here tonight but I couldn't get it here. If you can picture a brick the entrance way into the stadium around the ticket booth and whatnot will have a brick façade on it, which will again improve the aesthetics coming into the facility. Moving along, in your agenda package there was an 8 ½ x 14 sheet or maybe it was reduced but the title is "Baseball Stadium Project". What this is is a status report of expenditures as of August 25. At the top of the page is more or less the budget allocation allocating the \$29,510,000. This is our tracking by requisitions. I think what is important to note is that on the third page you can see that as of the 25th of August we have paid out \$9,896,256.15. The third column from the right notes that as of the 25th we have paid out \$1,268,000 on the new stadium and columns 3, 4 and 5 are costs associated with Gill Stadium between the City improvements, the Rule 58 improvements and the renovation improvements. Also, we tracked costs in terms of the last page by vendor. So on the last page you

can see the costs that are noted on the first three pages by vendor who has been paid what and we just finished checking these numbers with information that is compiled at our Finance Department and we are right on target with the numbers that they have. We seem to be all keeping track of these funds. Highway keeps track of them. Finance keeps track and possibly, I am not 100% sure, but it does go through Jane Hills in Economic Development. I am sure that they are probably keeping an eye on it. The expenditure of the funds is closely monitored. The last package of information that you have in your agenda was entitled "Stadium Budget Projected – August 25, 2004." This is a revision of the budget projections that you had received earlier for the overall project. I believe Bob Brooks had presented one. I had presented one. We are pretty much in agreement with the bottom line. As you can see we are still pretty much within budget. The overall budget is still very fluid and when I say fluid that means that certain engineering costs are continuing to go up as a result of the contaminated soil issues down there. We are seeing more expenditures in engineering for soil testing, environmental issues, etc. but on the other side of the coin we are fine tuning some of the project oversight budgeting that we had and we have been able to cut back in those areas. Now I do want to point out that halfway down on that summary sheet you will see PSNH relocation costs and you will see that that has been zeroed out. Now if that wasn't zeroed out as you can see we would be sizably over at this time. As you probably know there is a main Public Service line that traversed that whole Singer site down there affecting pretty much all of the parcels. Before Public Service would agree to relinquish their easements and go for a relocation an agreement was developed and negotiated between the team and the developers and there were certain costs assigned in this agreement – costs pertaining to the relocation of the line, costs relating to the loss of the easements and loss of future capabilities. When you have an overhead easement you can pretty much put as many lines as will fit on the easement. Where the relocations are going underground that is going to limit their future expansion. As a result, there is a loss of benefit and some of those costs are quite sizable. As I mentioned, all of the parties that are involved down in the Riverfront area sign that agreement – all of the developers and the team. Now Mr. Weber has agreed to take those costs out of the overall budget and fund those costs directly and the reason why he has done that is quite frankly the allocation of those Public Service costs haven't been determined yet. Somewhere along the line the team and the various developers are going to have to sit down and allocate those costs somehow. So, instead of the City carrying those costs on the books, he has agreed to take those costs outside the project and pay those directly. Now if the overall project comes in under at the end of the day he is going to be coming in and requesting to be reimbursed those costs and they are project costs so right now those Public Service costs are not within the budget. They are going to be paid for. If they had to be paid tomorrow they would be paid by Mr. Weber directly and if there are funds at the end of the day for the project I would expect that he would be requesting a

reimbursement. To date we have not been officially notified of any change orders affecting the \$19 million GMP but to be honest with you up front, as I mentioned the contaminated soil issues keep coming up and there are other little issues that keep popping up, which ultimately could affect the GMP and we will be closely monitoring those issues and if we see that the GMP is going to be impacted then we will so notify this Committee and recommend that some kind of escrow be established. That is pretty much all I have to say on these sheets. I will be happy to try to answer any of your questions.

Alderman Guinta asked, Frank, before we get into the stadium development I want to talk a little bit about Gill. Do you think maybe you can go through the costs of Gill because I am coming up with about \$4.956 million? Is that number accurate?

Mr. Thomas answered let me break it down for you. The original City budget for rehab was \$3.150 million and if you remember Drew Weber put \$1 million in so the original GMP with Harvey Construction was \$4,150,000. Then there were additional City costs – the elevator, catwalk and some of the improvements to the existing locker room facilities, etc. and the Board funded an additional \$850,000. So the entire project is \$5 million excluding engineering costs.

Alderman Guinta stated that is my question because there are additional architectural design costs and engineering costs that went into Gill so we are over \$5 million.

Mr. Thomas responded that is correct. The original development agreement had a summary of costs in it. I don't have a copy of it with me tonight but all engineering was lumped together so it didn't have Gill Stadium construction engineering. It had Gill Stadium construction, new stadium construction, engineering and architect as one number.

Alderman Guinta stated so far on engineering we have spent almost \$2.7 million right.

Mr. Thomas answered correct.

Alderman Guinta asked do we have a rough estimate as to what percentage of that went into Gill. Is there a way to quantify that?

Mr. Thomas answered yes there is. We have that information. I don't have it tonight. The biggest chunk of the engineering for Gill Stadium was to HNTB. They had a lump sum price of \$450,000 for HNTB alone.

Alderman Guinta asked for Gill.

Mr. Thomas answered yes for Gill Stadium. Then there was some civil work that was done by Tom Moran's office. There was some soils work that may have been done early on by Haley & Aldridge. We do have those costs. Then of course there is the cost of oversights by Parsons-Brinckerhoff and Mike Castagna that were added on to that.

Alderman Guinta asked so if you add the \$450,000 to HNTB and then the others, we are getting close to \$6 million.

Mr. Thomas answered I would say somewhere between maybe \$5.6 or \$5.7 million.

Alderman Guinta stated and with the \$450,000 you are at \$5.450 million.

Mr. Thomas responded you are correct. To answer your question I don't have the exact number but we are probably looking at \$5,750,000 or \$5,800,000.

Alderman Guinta asked can we get an actual total of what is at Gill. My concern is...I know you are saying that we are going to meet the GMP on the project but my concern is that...I am concerned that there is not going to be enough money available.

Mr. Thomas stated let me ask you to turn to the second page of that overall budget projection. What we have done is we tried to quantify and project into the future all of the engineering costs from Day 1. So you can see that we have looked closely at the environmental, GZA, Haley & Aldridge...those are environmental. You can see the civil engineering costs, construction management costs, testing costs, etc. I think we have done what you are concerned about as far as projecting the engineering to the end of the project but to answer your question directly we can provide you the information you want as far as the actual cost. As a matter of fact, we did provide to the Parks & Recreation and Finance Departments all of the costs to Gill Stadium as of June 30. They needed that for accounting functions so it is not going to be too much trouble for us to generate what you are requesting.

Alderman Guinta stated if you add up the totals and this is dated August 25 so for example the estimated design environmental cost is a little over \$4 million but that is higher than what we initially anticipated I believe and then you have the land costs and the construction costs. Aren't we over budget already?

Mr. Thomas replied no what we have done on this first page is project all of the costs to the end of the project. Included in there are the land costs, the engineering, environmental, and construction oversight to the end of the project,

which is April/May of next year. What you are seeing on the stadium budget projection is an overall budget projected to the end of the project. All of these funds have not been expended. As I mentioned, the actual expenditures have been about \$10 million to date and this is showing what we foresee as the expenditures at the end.

Alderman Guinta asked was the bond interest estimated at \$160,000 always expected to be part of the total budget of this project.

Mr. Thomas answered it is my understanding that it was.

Alderman Guinta asked so we are legally bound to that.

Mr. Thomas stated I believe that is the case. I believe there is some wording in the agreement and as a matter of fact that \$160,000 was a number that was furnished both to myself and to CB by the Finance Department.

Chairman Lopez stated I think that was answered in a previous meeting but we can ask Kevin again. He called me earlier today. He is celebrating his 29th anniversary so we will double-check that if the City Clerk can remind us.

Alderman DeVries asked will the budget projections reflect any changes associated with program management and termination of the lease agreement with Manchester Downtown Visions.

Mr. Thomas answered no. I understand that there was some kind of settlement worked out between the team and Downtown Visions but that is not part of the budget and it is something that we would not be reimbursing Drew Weber for.

Alderman DeVries asked so the \$66,000...

Mr. Thomas interjected that is what they were paid when they were on under contract with the team.

Alderman DeVries asked and you said that the contract has been terminated and they have entered into a separate agreement and the City is not going to be billed for any portion.

Mr. Thomas responded I don't think there is any contractual relationship right now between the team and Downtown Visions. I have heard rumors that in order to break their connection or break their contract there was some type of monetary settlement, but again that is not a cost that would be considered the same as out of the City's budget.

Alderman Gatsas stated Frank if I go to your...I guess it is page 3c and if I take Gill Stadium architectural design and the new stadium design that is \$2.348 million. That would be...

Mr. Thomas interjected can you tell me what page you are on.

Alderman Gatsas stated it is Page 3c titled "Stadium Budget Projected" dated August 25, 2004. If I take the two first numbers, the \$477,000 and \$1.871 those total \$2.348 million.

Mr. Thomas answered that is correct.

Alderman Gatsas stated if I just use those two numbers and I go back to your baseball stadium project and I look at the engineering costs it comes out to \$2,680,917. There is about a \$340,000 difference.

Mr. Thomas responded on the baseball stadium project and I don't have the agenda items but on the long sheet, on the third page I guess you are talking where it says engineering \$2,680,000 has been spent to date that is correct.

Alderman Gatsas stated I am looking at the two numbers that you have as engineering costs.

Mr. Thomas responded it is more than that. What goes into the column under engineering will be potentially everything that is in that first category – estimated design environmental costs and also included in there...okay all of those costs are in there. If you see the total project it is equal to \$4,042,600. If you go to the baseball stadium project at the top of the page it is \$4,042,000.

Alderman Gatsas stated let me go back to Alderman Guinta's questions. Can you tell me exactly or relatively close what the cost for Gill Stadium was from zero to the date where we are today and invoices that have been paid and what you project the total cost of Gill Stadium will be?

Mr. Thomas replied I can provide that information. I don't have it broken down that way. We have construction broken down and engineering lumped together. We have that information. We will just have to compile it.

Alderman Gatsas asked would you say it is another \$600,000 on top of the \$5 million.

Mr. Thomas answered I would guess it is somewhere in the \$600,000 to \$700,000 range.

Alderman Gatsas stated so if we used Gill Stadium and say the total cost is \$5.750 million and if we take that number and we use the \$29,510,442 that we have for a gross number, the total cost of both projects and we subtract the \$5,750,000 for Gill Stadium that leaves us \$23,760,000. If we subtract from that the \$1.1 million for the land cost...

Mr. Thomas interjected again I don't know what you are doing. I think everything is summarized right on that sheet. If you start at the top you will see...this sheet has expenditures to date and projected costs to finish the project. What we are saying there is that engineering...all of the engineering costs are going to be \$4,042,600. Legal has been identified in this. You can see under construction costs that the construction costs at Gill Stadium are \$4,150,000, \$850,000 for the fees work and \$19 million for the new stadium. The construction costs are identified there. Again, everything is summarized on this page. I mean you can add and subtract any way you want but the bottom line still comes out that with the funds available we are within \$400 of balancing it.

Alderman Gatsas stated it looks like there is an overage here of spending. I don't think anybody anticipated spending \$5.7 million at Gill Stadium.

Mr. Thomas responded I don't think anybody really envisioned that we would be spending \$19 million on the new stadium. At one time we were looking at prices anywhere from \$18 million to \$25 million. Again from Day 1 the contract for Gill Stadium was entered into before we took over overseeing the project – the \$450,000 for design. I think working backwards that is how the team came up with an available amount of dollars to spend on the new stadium of \$19 million.

Chairman Lopez asked if you can break that down for us just for Gill Stadium that would be great.

Alderman Gatsas asked are we going to meet, Mr. Chairman, before the snow flies.

Mr. Thomas stated I guess I have to ask what are you trying to find out by seeing the cost of Gill. If your concern is do we have enough money today to do everything that is projected, this sheet is saying that we do have it. Again, all of the costs...I have all of the contracts for engineering services. I know what we have spent to date – everything that has been spent to date or committed is on this summary sheet. As I mentioned there is potentially going to be some additional

costs and that is going to drive this over the bottom line but as of today we have enough money overall to do the project.

Chairman Lopez stated I agree with what you are saying. I think so many numbers have been thrown out that whether it is \$5.4 million or \$5.6 million or \$5.7 million on Gill Stadium and I think if we just did a final thing on Gill Stadium, everything down to the bottom and said it is going to \$5.7 million or whatever the case may be that would put everything to rest.

Alderman Gatsas stated with all due respect, Mr. Chairman, this is the first time I have heard that we are going to be over \$5 million at Gill Stadium. Now if you have heard it you have heard it in private meetings but never heard.

Chairman Lopez responded I never heard anything in private meetings that we were going to be over...

Alderman Gatsas interjected I never heard a number over \$5 million in this Committee.

Chairman Lopez stated you have to remember that we allocated \$850,000 also.

Mr. Thomas stated just to follow-up on that there has been \$5 million allocated for construction. The original agreement that was entered into by the Board of Mayor and Aldermen showed engineering lumped together. There was a contract that was developed by the team at that time or quite frankly prior to the signing of the development agreement that contracted with HNTB to do the design and architectural work on both Gill Stadium and the new stadium. In that lump sum there was \$450,000 allocated for the design.

Alderman Gatsas stated that still doesn't get us to \$5 million.

Mr. Thomas responded we are already at \$5 million. We have \$5 million in construction costs. We have another \$450,000 in design costs and then on top of that there are some additional design and oversight costs. So instead of \$5 million you are approaching \$6 million.

Alderman Smith asked, Frank, just to settle this once and for all the total amount of revenue we had with the bonding plus the donation from Mr. Weber was \$28.5 million correct.

Mr. Thomas replied we have a total project budget of \$29,510,000. That includes the \$27.5 million bond, the \$1 million that Mr. Weber put in, the \$850,000 of

additional City money and I believe the number was \$160,000 in interest on that \$27.5 million bond.

Alderman Smith stated I am looking at your total right now. Out of the total amount of money we have spent almost \$10 million as of this date correct?

Mr. Thomas responded that is correct.

Alderman Smith asked and you are telling this Committee and I am sure Mr. Brooks will, that there are sufficient funds to build that stadium for \$19 million. What I am getting at is I don't want to see any additional costs come in at the last minute and have an overrun like we did with the elevator. I know that there was some concern when there were two parties concerned and there were figures thrown out and they said they could do it for \$19 million.

Mr. Thomas answered first of all if there are any overages over that \$19 million it is going to be the responsibility of the team – 6 to 4 to 3 to come up with that money. When we do a projection and we can comfortably say that it is going to go over \$500,000 or whatever the number is that it goes over Mr. Weber at that time will be required by agreement to put money into an escrow account to cover that or agree to pay some type of costs outside the agreement.

Alderman Guinta stated, Frank, let me talk about my concern in a little different light. The concern that I have is that we are somewhere between \$5.6 million and \$5.7 million on Gill. The money that is over the \$5 million on Gill, whatever that number comes in at, if it is over \$600,000 or \$700,000 or \$800,000 my question is what are we not getting in the new stadium that we were previously going to get. I am more concerned about the value engineering side of it. I think that is where we are trying to go here. We want to make sure that we are on budget to get what we initially thought we were going to get. \$600,000 or \$800,000 can make a big difference.

Mr. Thomas responded first of all, whatever Gill winds up to be was in the original budget projection that was done by Parsons-Brinckerhoff and we did an independent one that was provided to this Committee two or three months ago, which was the basis of the team saying that we have \$19 million to spend on the new stadium. That is how the number \$19 million was arrived at.

Alderman Guinta replied my question is still pertinent then. Forget about how you arrive at the \$19 million. No matter how you arrive at it my question is still a valid question.

Mr. Thomas stated that is why the team had to approach Payton to maybe look at doing things different than Harvey was proposing. That is when I think decisions were made of going with a similar type of construction as down in Brockton compared to what was originally on the books then.

Alderman Guinta asked, Mr. Chairman, would it be appropriate to hear from either Mike Castagna or Bob Brooks.

Chairman Lopez answered sure.

Alderman Gatsas stated I would just like on the stadium invoice by vendors can you go through and tell me which one of those are allocated and I can't tell what PB is. What does that mean?

Mr. Thomas answered Parsons-Brinckerhoff. The guy who is sitting up there.

Alderman Gatsas asked where is the elevator.

Mr. Thomas answered you can't do it by vendors because some of those vendors have worked on both projects – Gill Stadium and the new stadium. HNTB, you can see the \$1.6 million has been paid them to date. Some of that work is on the new stadium. Some is on Gill Stadium.

Alderman Gatsas responded I understand that. Tell me the ones that are specific just to Gill. Harvey hasn't done any work on the new stadium have them?

Mr. Thomas answered no. Harvey is 100% Gill Stadium.

Alderman Gatsas asked and pre-construction is all Gill Stadium also.

Mr. Thomas answered that is correct but everything else on this list I believe is probably split up.

Alderman Gatsas asked is the elevator...

Mr. Thomas interjected security is a Gill Stadium project.

Alderman Gatsas asked is the elevator listed here anywhere.

Mr. Thomas answered the elevator is under Harvey Construction.

Alderman Gatsas asked how much is due on the elevator. Has it been paid in full?

Mr. Thomas answered I don't believe so because the last requisition that we paid the elevator was still under construction.

Alderman Gatsas asked has Gill been paid in full.

Mr. Thomas answered no it has not

Alderman Gatsas asked how much more money is due Harvey.

Mr. Thomas answered I don't know. I don't have a copy of the last total requisition.

Alderman Gatsas asked roughly.

Mr. Thomas answered \$300,000 maybe and that includes retainage.

Alderman Gatsas stated so Harvey is going to approach somewhere around \$4.8 million.

Mr. Thomas responded again Harvey will be approaching \$5 million for construction costs give or take \$10,000 or \$15,000.

Alderman Gatsas stated my confusion comes when this Committee as far as I know we allocated \$4.1 million plus \$850,000 for a total of \$5 million. That is all this Committee ever thought we were spending on Gill Stadium.

Mr. Thomas responded I tend to disagree with that because the discussion of engineering costs had come up at previous meetings and the agreement that was originally signed by the team had two different categories. It had new stadium lump sum and a lump sum cost for Gill Stadium.

Chairman Lopez stated I think Mr. Brooks would like to say something.

Mr. Robert Brooks stated when we took over the project we took a look at the budget that was signed by the City and for some reason and I don't know because we weren't involved at the time but both the design fee for the new ballpark and the design fee for Gill were lumped into one category. It wasn't separated as Frank described. In the agreement that you signed you had Gill Stadium at the \$4.1 million, which did not include the engineering and architectural costs. They were a separate item so that as you are pointing out now the total cost if you add in the engineering and architectural services is different. It is a different number but the agreement that you signed did separate them out. I have no idea why that was

done at the time but based upon the face value of the documents that is the way it was organized and improved.

Chairman Lopez stated and I think at a couple of previous meetings we talked about having the total package cost for Gill Stadium broken out and I think that is what Frank Thomas and you people are doing and he is going to get us that information.

Alderman Gatsas asked what is the total engineering cost for both of them.

Mr. Thomas answered all of the engineering costs are shown on Page 3 to date and that totals \$2,680,917.53. That includes soils work, survey work, civil work, and construction oversight.

Alderman Gatsas responded I am supposed to understand that 1/3 of those engineering costs should be at Gill Stadium.

Mr. Thomas replied again we can get you that information. Again, you are asking questions that we don't have the answers to right now.

Alderman Gatsas stated I am asking questions, Frank, because we are talking about a \$5 million project and now we are exceeding almost 20% on engineering. We are getting close to a 20% figure on engineering. That doesn't seem reasonable.

Mr. Thomas responded it may not seem reasonable but quite frankly the way we are doing this whole project to me is not reasonable. I mean you have basically given the team the right to hire whoever they want. The agreement for architectural services was entered into with the fees before the development agreement was signed. The development agreement gives the team the authorization to have HNTB.

Alderman Smith stated Frank this probably came about because we didn't have anybody watching the City's interest when we first started off. I believe that they were doing work at both Gill Stadium and down at the riverfront on the engineering. Is that correct?

Mr. Thomas replied there may have been some overlaps in some of the engineering that was done looking at the development aspect. The responses we have gotten were that they had to look at the development aspects in order to determine the location for the stadium. If you take a look at some of the requisitions that have come in that have been paid, the team does reserve the right to try to recover some of those funds, which would go back into the total budget.

Alderman Gatsas asked what is that total.

Mr. Thomas answered I have no idea. When you have an engineering jumping from Gill Stadium to the site of the new stadium to looking at issues that are related to the roadway...if the engineer was working on the roadway should those engineering costs be divided three of four ways? Maybe potentially but there is really no way of tracking those costs.

Chairman Lopez stated I think also as we move along in the project here before we get too far along if there are any discrepancies whatsoever this Committee has got to be informed.

Mr. Thomas responded again I don't think there are any discrepancies. I think we had these numbers down to the penny. Are we going to wind up at the end of the day living within this budget? Probably not because of some of these issues with contaminated material. Now on the positive I know that Mr. Brooks has some of the latest numbers from Payton. Payton has bid out some of the major components and right now they are showing being under budget for those items. So that is a positive. On the negative we know that there is contaminated soil and some of it is fairly highly contaminated and is going to have to be removed off site and be treated. All of those costs were not included in the GMP so there is a potential that there will be extra costs there.

Chairman Lopez asked but as of today they are in the GMP.

Mr. Thomas answered right now what was foreseen is included in the GMP. Now all of the costs connected with dealing with contaminated material, I don't think those numbers have been quantified yet. There has been some material taken off but the roadway still has work to be done. There are going to be utilities that go into that roadway. Some of that roadway is on areas that have fairly high levels of contaminants. Some of those costs may be recoverable from insurances by others but we don't know. As I mentioned, officially we haven't been handed anything from the team or from Payton that says we have a \$500,000 extra or a \$50 extra. Right now as I sit here in front of you, I don't have any of those extras and I see a GMP that we have for \$19 million to build the stadium that has been proposed to everybody and I heard for the first time tonight the good news that at least in some of the areas that were bid out there is a savings of about \$200,000 from what was budgeted.

Chairman Lopez asked Mr. Brooks to report on the new stadium.

Mr. Brooks stated Frank took a little of my thunder away earlier with the fact that we are...we obtained bids on approximately eight items related to the GMP. These are line items that will be tracked or can be tracked with Frank. These are the piles, the foundation work, the reinforcing steel, the steel structure, the elevator lifts, the playing field, the site civil engineering and the seating bowl. The GMP budget for those items added up to approximately \$9,557,239. The bids for those items came in at \$9,338,852, which means that we are currently under the budget by \$218,387. That is good news. Right now what is showing is that based upon the bids we are \$200,000 less than we projected. I would like to comment on a couple of Frank's comments. Number one is the last time we met I had a separate budget and Frank had a separate budget and I think we were \$100,000 within each other. Basically what we decided to do was work together so the budget that Frank has I agree with. Right now we are \$400+ over the budget if you will and if we take into account this credit of \$200,000 we are clearly under budget as we stand right now. These are only eight items dealing with a couple of dozen bid items but I think it is a very positive indication of where we are going on the bids. People are very excited about the ballpark. We are getting more and more inquiries in regard to bidding the ballpark and it is very, very positive. We are looking very optimistically at the bids that are going to be coming in in the future. I want to comment on what Frank identified as potential cost overruns and I say potential because we have not been formally presented by Payton with a change order, which would say this is a change in what we bid and this is how much it is going to cost and why. Payton has not given us that so as of right now as Frank said there are no cost overruns. We have encountered out on the site and as you know the ballfield itself, the soccer field that was out there we had the soil tested and it turned out there were lead deposits in the soil and that soil we originally did not anticipate removing off the site. We anticipated reusing it off site and we cannot reuse it offsite obviously for the lead deposits that are in there although they are below the thresholds for health safety they are something that we don't want to use on the site. We needed to remove those to an appropriate disposal site. We also encountered when we started excavating for the outfield wall where the batter's eye is some asbestos shingles that were from an old...part of the roundhouse shed that was out there and the roofing that was used. We tested those and basically we had to remove those off the site. We have encountered some additional costs associated with removing some of the soil off the site and in those shingles we found. The roadway itself, we started building the roadway creating a solid base for the roadway and what we encountered within the past couple of weeks there are some additional what appear to be soil contaminations that are currently being tested. We don't know whether that can be reused on site according to the DES regulations if we find contaminated soil on site if it is below thresholds we can reuse it on site. If it exceeds thresholds we have to remove it off site. As of right now we have not received those test results back. I was waiting this afternoon and I thought they would be coming back but they didn't.

We may find out tomorrow if the material we found on site needs to be removed off the site. If it does need to be removed that will be an additional cost. If not, we can then reuse it on site within the roadway itself. We don't know what those costs are. They are just potential right now. We do know, again, that in regards to the ballpark we had to remove some material off the site. In regards to the roadway, those are shared costs. We have an agreement with the adjoining developers – Manchester Downtown Visions for the retail, the Roedells for the hotel and the Chinburgs for the residential portions. We came to an agreement last week as you know and voted on, on the shared costs for constructing the roadway. That includes whatever costs are associated with removal of any material that is deemed unsuitable. They are aware of that. We have been coordinating with them. If there is material that needs to be moved off site those costs will be shared by the developers based upon the agreements we entered into so it won't be a full hit to the ballpark at all. I would say the good news is that we are getting bids in. An update on the schedule is Mike Castagna's schedule had to get updated and I talked to him about it and as Frank indicated steel is being delivered on site now and within the next couple of weeks. Steel erection will occur during the month of September. We hope to start really at the end of next week or the beginning of the following week. Actually right now we are pouring the pile caps and grade beams and that requires a certain amount of time to have that set-up before we start putting steel on it. The Versalock retaining wall will be constructed during the month. All of the material is on site. The dugouts will start this month. We hope to have them done by the end of September. Once the dugouts are done we will do the playing field in November. The seating bowl itself will be built during November and December. That is a quick update as to where we are with the actual construction of the ballpark itself. Looking at it real positive we are getting some great bids. There are a lot of excited people in New Hampshire and we are very excited to see the prices that are coming in.

Chairman Lopez asked and your completion date is still what.

Mr. Brooks answered April 1.

Alderman Guinta asked how many of the bids were awarded to New Hampshire companies.

Mr. Brooks answered I don't have those statistics. I can get them for you. I can also get you a list of all the bidders. As you know earlier on and this goes back to last April we had an open house here at the Center of New Hampshire. We invited, I believe, over 200 contractors from New Hampshire to attend. We sent out notices. We probably had close to 50 contractors attend the meeting. These are major contractors. Certainly over 200 contractors of various disciplines were notified of the project. They are all available to bid. There is no exclusion at all.

I think what happens is people get together and work with folks that they work with. Major sub-contractors probably get bids from smaller sub-contractors and it filters down as sort of a pyramid effect. I can get you at least a list of the major bidders who submitted bids on the different elements of the project.

Alderman Guinta asked can you talk a little bit...you mentioned change orders. Should we expect some change orders at some point or are you just reiterating what Frank said?

Mr. Brooks answered the change orders could be we saved money here and we wish to use it there or else a bid came in higher on this or we have to use a different size because of whatever reason. Nothing has come in.

Alderman Guinta asked the funds that go towards the Riverwalk, we were talking about that at the last meeting. Is that included in this stadium budget projection that Frank has provided? The money that is going to go towards the Riverwalk?

Mr. Brooks answered in back of the ballpark we need to rebuild part of the Riverwalk and reinstall the lights and the retaining wall. That is covered in the site budget.

Alderman Guinta stated talk to me about the retaining wall that abuts the hotel and the progress there and if that is impacting the timeline.

Mr. Brooks responded that is not impacting the timeline. We have it. We are starting construction. We are working closely with the hotel developer, Fred and Dave Roedell and their architects, BMA. We have been meeting weekly for the past two months with them face to face. We probably exchange three or four e-mails daily on different aspects of the project. We have agreements in place and an easement in place. We developed an easement plan that will be attached to the recording documents in regard to the outfield wall. Things are going quite well. I would say it has been very positive working with BMA.

Alderman Smith stated to follow-up, in other words the hotel developers have no disagreement with you. They can start whenever they get their paperwork together and so forth?

Mr. Brooks responded yes. We have been meeting with their construction project manager, Bob Kudesh. Two weeks ago he gave us a schedule. We asked for a sequence of construction to follow-up with that schedule. He meets in our trailer so we work jointly with him in our trailer. Basically the hotel construction coordinator has been meeting with our construction people for the past eight weeks and they are coordinating what sequence the construction needs to take

place, what access needs to take place, utility coordination...we have been working also with Keyspan. For example originally the gas line was going to come from the Chinburg property. In working with Keyspan at meetings in our trailer it was decided that they are going to now bring the gas line in from South Commercial Street to the hotel. There is ongoing coordination. That is just one example of the type of coordination that is going on daily.

Alderman Smith asked so things are coming together regardless of the three individual parties. Everybody is working together.

Mr. Brooks answered we are working behind the scenes. The hotel is moving forward. There was a period of time when they didn't do anything then all of the sudden about two months ago they started working with us daily and attending our weekly meetings. This was before the agreements were in place with you folks. In regards to the Chinburgs we are working with them on their site. The Riverwalk lights, the transformer that runs the Riverwalk lights is on the Chinburg property so there needs to be a little coordination with them on that. There is certainly a fence that separates the property and the planting scheme associated with how that fence is shielded. We are working with them on that. As I mentioned at one point in time the gas line was going to run down the entire length through the hotel. Now the gas line just runs through our property. The coordination between the adjoining properties is ongoing. We are also talking to Manchester Downtown Visions about the retail parcel and how they are going to supply utilities to that retail parcel. We recommended that they go underneath the ballpark sidewalk in order to supply utilities to the retail parcels so they avoid the mill debris area and are able to develop that site. So we are working with Manchester Downtown Visions about the benefits of the entire project.

Alderman Roy stated Bob it is nice to hear that some of the bids came in under what you expected. How did the steel bids come in? You said that the steel was being delivered. Where did you end up on the steel costs?

Mr. Brooks responded I don't have the exact amounts. It wasn't a lot but maybe \$20,000 or \$30,000 under projected budgets. What we did originally when we signed the contract with Payton we bought the steel at that point in time. We bought a certain amount of tonnage right there on the spot of reinforcing that we knew we could lock in at that price. We didn't and that is how we were able to help with the budget and the price of steel. We bought steel back in April.

Alderman Roy stated I have a question for Frank Thomas. On your stadium invoices by vendor I am familiar with almost all of these. Under Downtown Visions invoice #1 and #20 for a total of \$66,664 could you tell us what those are for?

Mr. Thomas responded yes those are for Downtown Visions. Early on the team, Drew Weber, had contracted with Downtown Visions to provide construction management services. They had a contract. The contract was for a lump sum of \$15,666 for a month. They performed those duties for a period of three months.

Alderman Roy stated Frank I noticed that the first one is invoice #1 and the last is invoice #20. On our breakdown the invoices are not dated. When would invoice #20 have come in for payment of those services?

Mr. Thomas responded I would have to get you that information. Sometime later. The reason being that it had come in earlier and I denied payment of that charge. There was some clarification of the concerns I raised in denying the payment that was furnished to me by the team and Parsons-Brinckerhoff and that is why it was paid at a later date and it was a reimbursement to Drew Weber I believe.

Alderman Roy asked and you feel comfortable and the team feels comfortable through Parsons-Brinckerhoff that they did four months worth of work.

Mr. Thomas answered yes. Again, I had some concerns about paying the last payment and the team and Parsons-Brinckerhoff furnished me the additional information and put in writing that it was agreeable to pay.

Chairman Lopez stated I want to say something at this time because it was mentioned that we haven't had any meetings and I want to answer that. I have been in contact with staff individually and they have been working on this project and everything is moving along. They have been working, as Mr. Brooks has said, cooperatively meeting once a week. Mike has been there. He is down at the site everyday. He knows what is going on. Anybody can go down there and talk to him and see the project itself. I want to assure the Committee that I will call a meeting within 24 hours of being notified of a problem by staff. They know that if there is a problem they shouldn't hold it up for six months down the road when the stadium is already built and then we find out that we have to get more money someplace or somebody didn't do something. I don't think staff would put us in that jeopardy. I will call a meeting anytime if there is a problem. I assure the Committee of that.

Alderman Gatsas stated it would be nice to have a meeting, Mr. Chairman, when things are going smoothly instead of just when we have problems but let's go back to your...

Chairman Lopez interjected I just want to assure you that there are real problems, imaginary problems and political problems. I have not received any real problems to bring before this Committee. Go ahead.

Alderman Gatsas stated well then we must be imagining that the cost has gone over \$5 million but let's not even worry about that right now because maybe that is a political problem. Frank, let's talk about Rule 58. There is \$1 million and that \$1 million is what took this budget to \$4.1 million. Now Rule 58 is only spending \$683,000.

Mr. Thomas responded the \$1 million that was put up by Drew Weber was not specifically for Rule 58. It was to cover Rule 58 costs up to \$1 million. The rest of that \$1 million has been put in the pot for Gill Stadium. So the scope of work required to bring it up to Rule 58 and do the rehab work totaled \$3,150,000 plus the \$1 million. That was the GMP that Harvey established to meet Exhibit D.

Alderman Gatsas asked when will Gill Stadium be prepared for Manchester Central High School to play high school football and are there any other incidental problems that we are going to have to buy or pay for to make that stadium ready for football.

Mr. Thomas answered I am not aware of any. My understanding is that the Parks & Recreation Department will be doing the conversion of the stadium over to football as soon as the team vacates. Again, as I mentioned if there are any problems as a result of the team utilizing the facility those will be addressed before it gets turned over to the City.

Alderman Gatsas stated back about six months ago we were talking about bleachers and moving bleachers to Gill Stadium and a piece of equipment that was going to be available to do that.

Mr. Thomas replied I am not aware of the subject that you are talking about. I wasn't aware of any bleachers being moved to Gill Stadium. The only bleachers that I know were moved were from Singer field over to West.

Alderman Gatsas stated well there has to be bleachers put on the visitor's side at Gill Stadium.

Mr. Thomas responded that is correct. A portion of the bleachers that are there now from what I understand will not be there. They are temporary. They were leased or rented. Those will be gone and the remaining bleachers will be relocated. Again, I believe that is a requirement to do by the Parks & Recreation Department.

Alderman Gatsas asked so the bleachers as we know them on the visitor's side that used to be at Gill Stadium...

Alderman Smith interjected they should have been condemned. Really they were wooden bleachers as you well know. We didn't have aluminum but Alderman Gatsas brought up a good point. I thought one of those aluminum bleachers as to stay at Gill Stadium and the other one was rented. Was I wrong?

Mr. Thomas stated that is correct. One will stay there. There will be bleachers on the other side that will have to be relocated from their present location to the other side of the football field by the Parks & Recreation Department.

Alderman Smith stated just to follow-up on Alderman Gatsas's question regarding the Central High football team I know that the Fisher Cats depending on whether they come in first or second are going to be playing there. I don't have a schedule for Central High but I am assuming to take care of the Central High football team we are trying to get \$93,000 for various equipment and the way I understand it I thought at one time we were going to bring some professionals in to teach our Parks & Recreation employees or whoever is going to take care of the field the proper maintenance of that artificial turf. I was assuming the cut off would be taken care of for the football team. I don't know where we are on that status now.

Mr. Thomas responded you should be asking Mr. Brooks about that.

Mr. Brooks stated it is my understanding that Parks & Recreation has attended over the past summer some meetings involving the team. Also, there were representatives as you recall and we talked about this months ago from Northeastern University who had a similar field who came in and made some recommendations on the maintenance of the field. We also had representatives come in and make recommendations to us on grooming the field. For example, the machine that was being used to groom the field needed to be adjusted and since it was adjusted the field is in excellent shape. Originally it was sweeping up too much of the rubber. It was sweeping it up so it wouldn't settle in and after the adjustment was made the field settled much more evenly than it had been in the past. All of these maintenance issues it is my understanding that the Parks & Recreation Department has had representatives around the field freely asking questions. There hasn't been a formal meeting, a turnover meeting but I know recently there have been meetings and I believe the football team had some practices out there. In regard to any of the cut outs, we do have a procedure to reinstall those cut outs that I believe was supposed to be an SRI task to do that and either through Harvey or a representative from SRI will certainly see what is involved in turning over the proper installation of maintenance to the Parks &

Recreation Department when it becomes necessary. I know that Parks & Recreation has been around the ballpark throughout the whole summer. It is not as if there hasn't been any talking at all.

Alderman Smith stated just to follow-up I think what the concern is is like when the Fisher Cats do leave the stadium, like say at the end of September because that would be the latest it would be, it is going to take a week or two to get that field in shape. It will have to be surveyed. It will have to have the right markings for football. It is quite a turnover. You are saying the agency that is going to be handling this as far as you know is going to be Parks & Recreation but they haven't had a meeting with you or what.

Mr. Brooks responded they haven't had a formal meeting. I know there have been informal meetings. If you would like, we could set-up a formal meeting to talk about that.

Alderman Smith replied I think if we are spending \$5 million on a field we have to have adequate maintenance because this is what happens to most projects. We do it and then we don't have adequate maintenance and then it goes downhill. We want to provide the best possible field conditions and I think this is the only way to go. I think you probably should get a meeting with Parks & Recreation and maybe Mr. Lopez to represent this Committee.

Mr. Brooks responded I agree. Certainly the use of a field like this for football is much more intense than baseball. You have people out there everyday running up and down...just the activity is so much greater for football than baseball. I agree with you. We can set-up a meeting and probably the sooner the better.

Chairman Lopez stated I thought, Mr. Brooks, that Parks & Recreation as at these weekly meetings.

Mr. Brooks responded yes they do attend the meetings at Gill Stadium.

Chairman Lopez asked haven't conversations come up regarding converting it to a football field.

Mr. Brooks answered there hasn't been a weekly meeting with everyone for a couple of weeks due to the fact that...well it has probably been over a month but throughout the entire spring and construction and part of the summer there were weekly meetings at Gill Stadium, which Parks & Recreation have attended correct.

Chairman Lopez stated let's get a meeting set and we will have the City Clerk contact the Parks & Recreation Director to get a breakdown of converting Gill

Stadium to a football stadium and how much time and money is needed. Anything to get it working for football once the Fisher Cats leave and let's set that meeting up for right after Labor Day.

Alderman Gatsas stated maybe you can add to that that we should know how many bleachers are left for the visitors.

Chairman Lopez responded absolutely and that is a good point. We want to know the whole status – the bleachers and everything.

Alderman Gatsas stated and if we can get a breakdown of that \$93,000 that Alderman Smith was talking about.

Chairman Lopez responded we received that in the CIP Committee. We are currently addressing that right now. It is \$92,000 for new equipment to maintain the field at Memorial High School and Gill Stadium and West Memorial field. That is a separate issue that we are trying to find money for.

Alderman Gatsas asked, Mr. Brooks, have you had any complaints about the waviness of the field at Gill Stadium.

Mr. Brooks answered I know that before every game according to Major League Baseball when a new team comes into town they walk the field with the umpires and go over the entire field – the infield and outfield and sliding cut outs if you will. Originally as you recall we had a lot of debris, the little rubber chips bouncing up. That has settled down over time after the proper grooming was done. I have not heard anything recently about waviness at all. If you have heard anything, please pass it along.

Alderman Gatsas responded I must have heard something if I asked you the question. I didn't just wake up one morning and decide that I was going to ask you a question about the waviness of the field.

Mr. Brooks stated they are still playing on the field and Major League Baseball inspects it before every game every time a new team comes in town. It is common practice.

Alderman Gatsas responded I can tell you that the pellets on TV with the line drives seem to still be coming up as high as they were four months ago.

Mr. Brooks replied I don't know if they are as high. I know there are still some know and then.

Chairman Lopez stated they are winning.

Alderman Gatsas stated my concern is not the winning, my concern is a football player that gets tackled and that stuff comes flying up into his face while he is down on the ground. You don't have that same activity in a baseball game.

Chairman Lopez stated we went through that with the Health Department.

Alderman Gatsas responded and we will probably pursue it again when some of that stuff gets in somebody's eyes.

Chairman Lopez replied it will be fine. We have to wait until the Fisher Cats are finished before we play football there so we will have plenty of time to answer and solve some of those problems.

Alderman DeVries stated I would like to take us away from Gill and back to the new stadium for a final question. You had mentioned when you were describing the area that is common between the hotel and the stadium that there were both agreements and easements in place. I am just wondering if you could elaborate a little bit on the agreement and if that has allowed you to go forward with the construction elements that are required in common and if we are protected in hindsight if they are on a different construction start date.

Mr. Brooks responded the outfield wall in-between the ballpark and the hotel is a Versalock wall, which you see the sample of. What holds it in place is a fabric that extends back. It is a rough fabric of which the density of the soil, the compacting of the soil holds the fabric in place so the wall itself remains rigid. It is in a rigid condition. If you just build a straight up wall the soils pressure of the wall would topple the wall. You need something to hold that wall in place. A normal wall would be designed so that it would have a moment – it would be sort of triangular in shape and the thickness of the base would be on the side of where the overturning moment would want to be. I hope I am not getting too technical but with the difference in grade of eight feet the wall would want to fall down. If you built a thicker base and angled it, there would be a wedge if you will that would hold the earth in place. What happens when you build the wall in the fabric, the weight of the earth and the density compaction of the earth and friction associated with the fabric and the earth holds the wall in place and the wall has been designed to accommodate firetruck loads because that is a fire access. We have met with the Fire Department to determine the loading criteria of which goes into the compaction and density of the soil. That extends back about eight feet from the face of the wall into the hotel property. The wall itself is on the ballpark property. The face of the wall or the back is on the hotel property. We have an agreement for a permanent easement with the hotel folks that is on the deed, which

will be recorded that the City has an easement. It is your ballpark so the City has an easement, a permanent easement on that hotel property so that it is basically holding up the wall. It is also holding up the wall of the hotel but it is holding up the outfield wall too.

Alderman DeVries stated so there are not any items that are being built to facilitate the hotel that would not be required for the baseball side.

Mr. Brooks answered none.

Alderman Smith stated just to get back to Gill Stadium, I understand that a person from Boston College who professionally paints fields was invited to possibly layout the field and stripe the field. I think this is the proper way to go and our employees can go and watch it or videotape it or so forth. There was a cost involved and that is in my figure of \$92,000+. If you could address that to Ron Ludwig and see what the status is because what is happening is I don't know Central High's football schedule but if this is the case I would rather have the field laid out by the Highway Department, surveyed and have a professional come in and paint it and do it right the first time. Then we should be able to, with our employees, do it right all of the time. Thank you.

Mr. Thomas stated I have a couple of comments to follow-up on what Bob stated. First of all any change orders or extras that are going to affect the GMP will be brought to this Committee. That is number one. Number two, I do have a breakdown of all of the Gill Stadium costs. The reason I didn't present it tonight is that I haven't verified the numbers. The numbers were put together by Mike Castagna and I don't want to give you wrong numbers, however, to give you a range of the engineering costs on Gill Stadium as of August 25 it was \$512,000. Again, I will get you the detailed breakdown of what was requested. Regarding total engineering costs, engineering costs have been running high on this project but I think if you keep in mind the fact that number one you have done pretty much a redesign of the stadium or value engineered it in order to come into the budget that was allocated and in addition you have a very difficult site to build on between foundation materials because basically it is considered a landfill and due to the contaminated materials so when you take all of that into account I don't believe the engineering costs are that far out of whack.

Alderman Gatsas stated now that you brought up that you have something for Gill Stadium what is the total that is on that sheet even though you haven't...

Mr. Thomas interjected again I haven't verified but the engineering plus security, which was about \$9,000 comes to \$512,095.57.

Alderman Gatsas asked and the rest of the costs.

Mr. Thomas answered construction at this time was \$4,445,107.

There being no further business, on motion of Alderman Smith, duly seconded by Alderman DeVries it was voted to adjourn.

A True Record. Attest.

Clerk of Committee